

# A CONSUMER'S GUIDE TO RECOVERING FROM DISASTERS



CHRIS KOSTER  
Attorney General of Missouri

Consumer Fraud Hotline

1-800-392-8222

web address: [ago.mo.gov](http://ago.mo.gov)

## **A MESSAGE FROM MISSOURI ATTORNEY GENERAL CHRIS KOSTER**

The destruction and loss of life in Joplin and the surrounding area is heartbreaking.

Sadly, as in any disaster of this nature, there are certain people who will seek to take advantage of others in their time of loss and sorrow. I want to make sure you have the knowledge and tools you need to protect yourself from these scam artists and to make good, long-term decisions during this difficult time.

That is why we have put together this packet that provides consumer tips following a disaster. In the packet, you will find information to arm yourself against those who would seek to take advantage of your situation by attempting to steal your identity, your money, and your trust.

My office stands ready to serve you during this time. If you have a question, concern, or complaint, contact my office at 1-800-392-8222 or online at [ago.mo.gov](http://ago.mo.gov). And please know that the thoughts of all of us at the Attorney General's Office are with you.

## **WATCH OUT FOR PRICE GOUGING!!!**

After damaging storms and natural disasters, con artists can take advantage of consumers who are in desperate need of help.

Price gouging refers to artificially inflated prices on necessities after a disaster, natural or otherwise, so consumers should be aware of products that have suddenly seen large increases in price. Price gouging is illegal in Missouri.

Missouri law prohibits individuals and businesses from substantially raising their prices for the necessities of life during such an emergency. Missouri has seen price gouging after the onset of ice storms, hurricanes, floods, and other natural disasters. The types of goods and services covered by the price-gouging law include: food, water, gasoline, hotel rooms, kerosene, gas-powered generators, and other basic necessities. Those who violate the price-gouging provisions can face penalties of up to \$1,000 per violation. The Attorney General's office is vigilant in enforcing Missouri's law against this type of activity.

Missourians who suspect price gouging or other fraud can file a complaint with the Attorney General's Office at [ago.mo.gov](http://ago.mo.gov), or by calling the Consumer Protection Hotline at 1-800-392-8222.

## **IDENTITY THEFT**

The power of tornados can transport items over many miles, and the personal documents of people impacted by the tornado likely have been scattered. The Attorney General's Office offers the following suggestions for people whose personal financial information was lost:

- Contact your credit card companies and let them know of your situation. Ask if the company can put a pass code on your accounts to protect their use.
- Contact your bank to request similar assistance.
- Ask your credit card company and bank also to monitor your accounts for any suspicious activity.
- Consider running a credit report periodically with all three credit bureaus to make sure no one has used your identity.
- Sadly, you may discover mail belonging to other people. In that situation, the United States Postal Inspector's Office encourages you to either (a) give it to your letter carrier and tell him/her that it is found mail or (b) put the mail in a bag with a note stating that it was found mail and take it to a post office window or drop it into a mail deposit box.
- Don't give out your Social Security or account numbers unless you initiate the contact.
- Stop your mail service during the time you are unable to return to your residence, or have your mail forwarded to another address.
- Sadly, you may discover mail belonging to other people. In that situation, the United States Postal Inspector's Office encourages you to either (a) give it to your letter carrier and tell him/her that it is found mail or (b) put the mail in a bag with a note stating that it was found mail and take it to a post office window or drop it into a mail deposit box.

## **CHARITY FRAUD**

Many charitable organizations are stepping up to help those in need. At the same time, there will be people who use this disaster to steal from you rather than raise funds to help others. Here are some tips for making sure your charitable donation goes to help your neighbors:

- Don't judge a charity by its name. False charities may use names that closely resemble legitimate charities.
- Don't let callers play on your sympathy by identifying their organization with the tornado. This can be a tactic to get your money.
- Don't be pressured. Give only when you are comfortable with the charity.
- Don't commit over the phone unless you have fully checked out the organization.
- Avoid cash donations and make checks payable to the organization, not to an individual.
- Be careful about letting solicitors into your home.

## **CONTRACTOR SCAMS**

Be on the alert for “storm chasers” – companies that follow severe weather and try to contract with homeowners who have suffered storm or tornado damage to provide roofing and other repair services. Company representatives will typically go door to door in storm-damaged areas posing as recovery experts or contractors specializing in home repairs.

These storm chasers will ask homeowners to sign a contract allowing their company to negotiate with the homeowner’s insurance company. The companies generally use high-pressure sales tactics; ask for cash up front; may have out-of-state drivers licenses or plates; be unable to produce local references; and have no proof of workers’ compensation insurance. Often, they perform shoddy work, then leave the area, leaving the homeowner with little or no recourse.

Storm chasers strike at a time when people are at their most vulnerable, trying to capitalize on the misfortunes of storm victims. The elderly and disabled are particularly at risk because they may be unable to assess the damage to their homes themselves.

Use the following tips to avoid being scammed by the storm chasers:

- Get at least two estimates on work in writing before choosing a contractor to repair your home or remove debris.
- Never enter into or sign a contract while reviewing it quickly – review the contract and check with the Attorney General’s Office and the Better Business Bureau for complaints and information regarding the company and or individuals representing the company.
- Ask how long the company has been in business and their physical location.
- Know where you are getting your supplies and get invoices for all purchases.
- Make sure your insurance company is working with you to provide the proper estimate and coverage allotted by your policy.
- Ask for insurance and licensing information, and make sure the company has the proper work permits before work begins.
- Never pay cash up front before the job is completed. Paying by check is the best method.
- Watch for price gouging on materials and work to be provided.

- Don't pay full price for services you have yet to receive. Make full payment only when the terms of your agreement have been met.
- Always get a phone number and address for the company represented, and then check it out.
- Ask for local references and check with them about the work provided.
- If you notice out-of-state plates, logos on vehicles, etc., make note of the information.